

ASSETS
(\$'000)

	Current 01	Prior 03
Cash 01	16,356	9,180
Investment Income due and accrued 02	389	380
Investments:		
Term Deposits 04	9,057	3,240
Bonds and Debentures 05	27,968	25,536
Mortgage Loans 06	0	0
Preferred Shares 07	75,931	68,443
Common Shares 08	47,649	28,213
Real Estate 09	7,611	0
Other Investments 10	5,809	0
Total Investments (lines 04 to 10) 19	174,025	125,432
Receivables:		
Unaffiliated Agents and Brokers 20	0	0
Policyholders 21	2,588	1,612
Instalment Premiums 22	10,987	9,480
Other Insurers 23	0	0
"Facility Association" and the "P.R.R." 24	556	636
Subsidiaries, Affiliates & Partnerships 25	0	0
Income Taxes 26	0	6,245
Other Receivables 27	243	284
Recoverable from Reinsurers:		
Unearned Premiums 30	0	0
Unpaid Claims and Adjustment Expenses 31	404	382
Other Recoverables on Unpaid Claims 37	0	0
Investment in Subsidiaries, Affiliates & Partnerships 40	0	0
Real Estate for Insurer's own use 41	0	0
Deferred Policy Acquisition Expenses 43	622	657
Future Income Taxes 44	4,091	4,885
Other Assets 88	227	340
TOTAL ASSETS 89	210,488	159,513

LIABILITIES AND EQUITY
(\$'000)

Page		Current 01	Prior 03
	LIABILITIES		
	Overdrafts 01		0
	Borrowed Money and Accrued Interest 02		0
	Payables:		
	Agents and Brokers 03		0
	Policyholders 04		0
	Other Insurers 05	1,941	1,617
	Subsidiaries, Affiliates & Partnerships 06		0
	Expenses due and accrued 07	1,037	846
	Income Taxes due and accrued 08	34	422
	Other Taxes due and accrued 09	513	399
	Policyholder Dividends and Rating Adjustments 10		0
	Encumbrances on Real Estate 11		0
	Unearned Premiums 12	109,595	97,188
	Unpaid Claims and Adjustment Expenses 13	18,574	18,456
	Unearned Commissions 14	0	0
	Premium Deficiency 15		0
	Future Income Taxes 21	153	0
	Other Liabilities 28	14	0
	Total Liabilities 29	131,861	118,928
	EQUITY		
	Shares issued and paid 41	11,500	11,500
	Contributed Surplus 42		0
 43		0
	Retained Earnings 44	61,273	42,174
	Reserves 45	0	0
20.42	Accumulated Other Comprehensive Income (Loss) 47	5,854	(13,089)
	Total Equity 49	78,627	40,585
	TOTAL LIABILITIES AND EQUITY 89	210,488	159,513

STATEMENT OF INCOME
(\$'000)

	Current 01	Prior 03
UNDERWRITING OPERATIONS		
Premiums Written		
Direct	21,962	18,892
Reinsurance Assumed	0	0
Reinsurance Ceded	2,305	2,878
Net Premiums Written	19,657	16,014
Decrease (increase) in Net Unearned Premiums	(286)	(315)
Net Premiums Earned	19,371	15,699
Service Charges		0
Other		0
Total Underwriting Revenue	19,371	15,699
Net Claims and Adjustment Expenses	5,769	5,576
Acquisition Expenses		
Commissions	7,551	6,074
Taxes	626	510
Other	326	335
General Expenses	825	742
Total Claims and Expenses	15,097	13,237
Premium Deficiency Adjustments		0
Underwriting Income (Loss)	4,274	2,462
INVESTMENT OPERATIONS		
Income	2,021	1,609
Realized Gains (Losses)	393	(51)
Expenses	1	2
Net Investment Income	2,413	1,556
OTHER REVENUE AND EXPENSES		
Income (Loss) from Ancillary Operations		0
(net of Expenses of \$'000 _____)		
Share of Net Income (Loss) of Subsidiaries, Affiliates & Partnerships		0
Gain (losses) from fluctuations in Foreign Exchange Rates		0
Other	(347)	213
Net income (Loss) before Income Taxes and		
Extraordinary Items	6,340	4,231
INCOME TAXES		
Current	1,629	1,028
Future		0
Total Income Taxes	1,629	1,028
Extraordinary Items (net of Income Taxes of \$'000 _____)		0
NET INCOME (LOSS) FOR THE PERIOD	4,711	3,203

STATEMENT OF RETAINED EARNINGS
(\$'000)

		Current 01	Prior 02
Balance at beginning of year	01	56,562	38,971
Prior period adjustments:	02		0
	04		0
Adjusted balance at beginning of year	09	56,562	38,971
Net income (loss) for the Period	10	4,711	3,203
Dividends declared to shareholders	11		0
Decrease (increase) in Reserves	12		0
(Please Specify)	16		
Net increase (decrease) in Retained Earnings during the period	15	4,711	3,203
Balance at end of Period	89	61,273	42,174

RESERVES
(\$'000)

		Current 01	Prior 02
Earthquake Reserves			
Reserve Complement	90		0
Premium Reserve	91		0
Mortgages Reserve	95		0
Nuclear Reserve	96		0
General and Contingency Reserves	98		0
Total Reserves	99	0	0

Tax Effective Rate for Mortgage Reserve

COMPREHENSIVE INCOME (LOSS)
and
ACCUMULATED OTHER COMPREHENSIVE INCOME (LOSS)
(\$'000)

Page		Current 01	Prior 03
20.30	Comprehensive Income (Loss)		
	Net income 01	4,711	3,203
	Other Comprehensive Income (Loss):		
	Available for Sale:		
	Change in Unrealized Gains and Losses:		
	- Loans 02		0
	- Bonds and Debentures 03	(13)	224
	- Equities 04	2,341	(1,032)
	Reclassification to Earnings of (Gains) Losses 05	(359)	(42)
	Derivatives Designated as Cash Flow Hedges		
	Change in Unrealized Gains and Losses 06		0
	Reclassification to Earnings of (Gains) Losses 07		0
	Foreign Currency Translation		
	Change in Unrealized Gains and Losses 08		0
	Impact of Hedging 09		0
	Income (Loss) from Subsidiaries 10		0
	Other 12		0
	Total Other Comprehensive Income (Loss) 21	1,969	(850)
	Total Comprehensive Income (Loss) 39	6,680	2,353
	Accumulated Other Comprehensive Income (Loss)		
	Accumulated Gains/ (Losses) on:		
	Available for Sale:		
	- Loans 42		0
	- Bonds and Debentures 43	1,118	795
	- Equities 44	4,736	(13,884)
	Derivatives Designated as Cash Flow Hedges 45		0
	Foreign Currency (Net of Hedging Activities) 46		0
	Income (Loss) from Subsidiaries 47		0
	Other 49		0
20.20	Balance at end of Period 59	5,854	(13,089)

MINIMUM CAPITAL TEST
(\$'000)

	Current 01	Prior 02
Capital Available		
Total Equity less Accumulated Other Comprehensive Income 02	72,773	53,674
Add:		
Subordinated Indebtedness and Redeemable Preferred Shares 03		0
Accumulated Other Comprehensive Income (Loss) on:		
Ava lable for Sale Equity Securities 04	4,736	(13,884)
Ava lable for Sale Debt Securities 06	1,118	795
Foreign Currency (Net of Hedging Activities) 08		0
Included in Capital Available of Regulated FI Subsidiaries 10		0
..... 30		
Capital Available reported by Regulated FI Subsidiaries 11		0
Less:		
Accumulated net after-tax fair value gains (losses) arising from changes in the company's own credit risk 12		0
..... 13		0
Balance Sheet Value of Investments in Regulated FI Subsidiaries ... 14	0	0
Assets with a Capital Requirement of 100% 17	0	0
Total Capital Available 19	78,627	40,585
Minimum Capital Required		
Balance Sheet Assets 20	12,941	7,696
Unearned Premiums/Unpaid Claims/Premium Deficiencies 22	10,551	9,358
Catastrophes 24	0	0
Reinsurance Ceded to Unregistered Insurers 26	0	0
Capital Required reported by Regulated FI Subsidiaries 27		0
Structured Settlements, Letters of Credit, Derivatives and Other Exposures 28	0	0
Minimum Capital Required 29	23,492	17,054
Excess Capital Available over Minimum Capital Required		
(line 19 minus line 29) 89	55,135	23,531
Line 19 as a % of line 29 90	334.70%	237.98%